

IN THE UNITED STATES DISTRICT COURT  
IN AND FOR THE DISTRICT OF DELAWARE

3 ROQUETTE FRERES, ) Civil Action  
4 Plaintiff, )  
5 v. )  
6 SPI PHARMA, INC., ) No. 06-540 (GMS)  
7 Defendant. )

Wilmington, Delaware  
Thursday, September 9, 2010  
9:30 a.m.  
Pretrial Conference

BEFORE: HONORABLE GREGORY M. SLEET, Chief Judge

## APPEARANCES:

MARY B. GRAHAM, ESQ., and  
JULIA HEANEY, ESQ.  
Morris, Nichols, Arsht & Tunnell LLP  
-and-  
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-and-  
BRIAN P. MURPHY, ESQ., and  
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(New York, N.Y.)  
-and-  
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(New York, N.Y.)

**Counsel for Defendant**

1 THE COURT: Good morning.

2 (Counsel respond "Good morning.")

3 THE COURT: This is an office conference, so you  
4 can take your seats, please. We are going to dispense with  
5 the formalities of court. I always invite counsel at these  
6 affairs to sit or stand as you feel most comfortable. It  
7 really doesn't much matter to me one way or the other. I am  
8 going to sit.

9                   Let's start with introductions, please,  
10                   beginning with plaintiff.

11 MS. HEANEY: Your Honor, Julie Heaney for  
12 plaintiff. With us from Young & Thompson are Douglas Rigler  
13 and Jeffrey Snav, and Mary Graham from my office as well.

14 THE COURT: Good morning.

15 MS. PASCALE: Good morning, Your Honor. Karen  
16 Pascale from Young Conaway for the defendant SPI Pharma,  
17 together with my colleague, Jeffrey Castellano.

18 I will reintroduce Brian Murphy, now with the  
19 firm of Edwards Angell Palmer & Dodge, Jennifer Dereka,  
20 Morgan, Lewis & Bockius, and Dan Murphy also with the  
21 Edwards Angell firm.

22 THE COURT: Good morning.

23 Counsel, I have been advised by my Chief Deputy  
24 that it might be helpful if I were to use a mike, that one  
25 of you may have a hearing challenge. Is that correct?

1 MR. RIGLER: In this courtroom environment,  
2 sometimes it's a little hard for me to hear. I actually was  
3 going to request LiveNote at the trial. But I can hear you  
4 fine right now.

5 THE COURT: You can hear me. You will remind me  
6 or, actually, remind Ms. Walker, of any accommodations we  
7 need to make at the time of trial, we will try to do that.

8 So let me just give a brief outline as to how I  
9 intend to proceed. My pretrial conferences can be at times  
10 stream-of-consciousness affairs, you will forgive me for  
11 that, in the sense that sometimes the subject matter is  
12 relatively random, as the thoughts occur to me.

13                   What we will do is begin with the various  
14 motions in limine that have been filed by the parties. And  
15 we will discuss them in a moment.

16                   Then my intention is to walk through the  
17 proposed pretrial order. I have tabbed a number of items  
18 that have come to my attention. We will discuss those. And  
19 then I will open the floor for conversation with you.

20                   Likely, we are not going to get to the  
21 differences of view between you as to the final jury  
22 instructions or the verdict form today. I think there were  
23 some differences, small differences in the preliminary  
24 instructions. We will talk a little bit about that and see  
25 if we can't resolve those things.

So with that, let's get started.

Let's talk first about Roquette's first motion in limine, that is styled as a motion to exclude any testimony from Dr. Rajesh -- is it?

5 MR. B. MURPHY: Yes, Your Honor. Rajesh. He  
6 goes by Raj. Rajesh N. Dave.

7 THE COURT: -- relating to indefiniteness.

8 || Okay. Who is going to handle this one?

9 MR. RIGLER: I will.

10 THE COURT: All right.  
11  
12 MR. RIGLER: First of all, we are not trying to  
13 eliminate his testimony altogether. It pertains strictly to  
14 his untimely testimony and what we consider his unreliable  
15 testimony, proposed testimony, regarding the choice of a  
drum. You may recall from claim construction --

16 THE COURT: I recall very little from claim  
17 construction, counsel. Let's just be honest about it.

Okay? We will do what we can to refresh my recollection.

19 MR. RIGLER: We have a patent with 28 claims.

20 The patent is for something called a pulverulent form of  
21 mannitol, which is used as an excipient in pharmaceuticals a  
22 lot with pills. 27 of those claims are product claims. One  
23 of them is a process claim, a method for manufacture.

24 Dr. Dave is their chosen expert for invalidity  
25 issues, and basically I think their technical expert on the

1 27 product claims. That's fine. They have an invalidity  
2 challenge on obviousness, and they timely asserted  
3 invalidity challenges on indefiniteness, and they were very  
4 specific on that. That was the only invalidity challenge  
5 they made, indefiniteness related to the sieving technique  
6 for the pellet.

7 They were asked interrogatories. They had  
8 repeated opportunities to address the issue. They found out  
9 late in the day, their expert didn't realize that when you  
10 do the friability test -- there is one independent claim,  
11 Claim 1, that basically says this mannitol is special, it's  
12 different from other mannitols. It just has certain  
13 qualities that make it superior, and many companies are  
14 going to choose this because it suits their need. And it  
15 lays out four elements. One of those elements, the one we  
16 are going to argue the most during trial, is friability,  
17 meaning the capacity to crumble.

18 Friability is determined by a test, which is  
19 specified in the patent. And basically, you take a particle  
20 size cut and you get a certain weight of powder. Then you  
21 put it in what is called a coagulator, a machine that spins  
22 with a wheel, with five little steel balls like marbles, and  
23 they go around and crush.

24 We get friability values that show them right in  
25 the center of the patented claimed range. They say, no, no.

1       Our friability values are below the bottom of the range.  
2       And in deposing their expert, we asked if he knew how many  
3       drums there were that you could use in a friability test.  
4       He said no. He said without further investigation, I don't  
5       know. We asked if there were more than one drum. And he  
6       simply didn't know the answer.

7                   Our expert during the discovery period said,  
8        Hmm, let me think about this. He ran a test using a drum  
9        that is used for testing the abrasion of tablets. And his  
10       suspicion was correct. He got the low value that they were  
11       reporting.

12                  Discovery closed. Dr. Dave, without leave of  
13       Court, filed a supplemental expert report and purports to  
14       try to explain -- what he tried to explain is that the  
15       patent was indefinite because it didn't specify which drum,  
16       and simultaneously anybody with ordinary skill in the art  
17       understood perfectly well what kind of drum.

18                  So he had conflicting conclusions there. But he  
19       never sought, they never sought leave of Court. They just  
20       filed the report late.

21                  One of the excuses which they made in their  
22       opposition is that they were surprised, they couldn't  
23       understand --

24                  THE COURT: That was by Dr. Brittain's --  
25                  MR. RIGLER: Yes. The fact is, they had

1 documents depicting the two different types of drum from the  
2 manufacturer. And they used that document in deposing one  
3 of our witnesses.

4 The further fact is that there was a dispute  
5 over one of their products as to whether or not it  
6 infringed. That was within the scope of the referral to  
7 Judge Thyng. And she ruled that we are entitled to verify  
8 our concern that it did infringe. She ordered them to give  
9 us a sample. But she said, if you do that, make a video  
10 when you test it and give it to them, which we did.

11 The drum issue was right in front of them, the  
12 drum that we contend is the proper drum, the powder abrasion  
13 drum. They knew. They knew for 18 months by documents that  
14 we furnished that there were two different types of drum.

15 So we see no excuse whatsoever for an  
16 unauthorized filing. If they want to challenge Dr.  
17 Brittain, they are welcome to do so on cross-examination.  
18 But the idea that they can come in now and suddenly add a  
19 new indefiniteness defense, we think, is improper. And that  
20 is why we made the motion.

21 MR. B. MURPHY: Yes, Your Honor. As you might  
22 expect, we have a very different view of the facts and the  
23 implications of those facts.

24 But I do think, because this issue is at the  
25 center of most of this case, Your Honor, this issue about

1       friability and how are you supposed to measure it according  
2       to what is stated in the patent claims, and it will, in  
3       fact, be the subject of a couple of other motions that both  
4       sides have made that we will discuss after this one, so I  
5       thought what I would do, just to help refresh your  
6       recollection, because, of course, we have been dealing with  
7       this day in and day out for the last couple of months to get  
8       the pretrial order stuff together, but to just reorient Your  
9       Honor to the claim construction in particular on this  
10      limitation called the friability test, the claim has five  
11      limitations. It's pulverulent mannitol, that is powder  
12      mannitol. And there are four sub-requirements in Claim 1,  
13      which is the only independent claim in the patent.

14                   The first limitation in the claim, and the one  
15      over which there is great dispute, and that is at the center  
16      of this lawsuit, is called friability within a range of  
17      about 40 percent to about 80 percent. That is the claimed  
18      range for friability Test 1. We presented claim  
19      construction briefs. And the dispute is: What are you  
20      supposed to do to run Test 1 properly within the literal  
21      scope of the claim?

22                   Your Honor, we had this argument back in May, I  
23      think it was. And Your Honor's ruling was in June. That  
24      was an important ruling, because although this case has been  
25      pending for quite some time, this was our first substantive

1 ruling on claim construction, which is always important.  
2 And it clarified some things. And it's important that Your  
3 Honor at least understand our view of what was clarified.

4 In particular, the claim language talked about  
5 running Test 1 for friability using an ERWEKA TAP model  
6 friability machine. They wrote it into the claim. They  
7 wrote it into the claim by way of an amendment during  
8 prosecution after a 112 indefiniteness rejection, because  
9 the original claim just said friability according to Test 1  
10 between about 40 percent and about 80 percent.

23 So they amended the claim, Your Honor, and they  
24 added all of the limitations that now appear as part of the  
25 Test 1 procedure.

1                   It's essentially a three-step test. It doesn't  
2 matter. The one we are arguing about is called subjecting  
3 the powder to mechanical action in an ERWEKA TAP friability.

4                   Your Honor ruled as a matter of claim  
5 construction that that phrase is construed to mean, quote,  
6 "mechanical action in the ERWEKA TAP model friability  
7 testing machine."

8                   That is it, period.

9                   So we got that ruling.

10                  What is happening, and what is at the center of  
11 dispute in this motion and frankly most of the case, the  
12 plaintiff, of course, has the burden on infringement. They  
13 have now acknowledged that they never made a claim under the  
14 doctrine of equivalents for this limitation or, in fact, in  
15 my view, any other limitation. That is a different fight.

16                  THE COURT: It is a different fight. Let's  
17 focus on the fight at hand.

18                  MR. B. MURPHY: For this limitation, friability,  
19 according to Limitation 1(a), there is no dispute, there is  
20 no doctrine of equivalents assertion, there never has been.

21                  Their expert did not use that model of machine  
22 to test the friability of my client's accused products.

23                  So our view is, well, you need to use that  
24 machine if you are going to make a claim of literal  
25 infringement or if you wanted to argue equivalence, you

1 should have raised the issue of equivalence, which they did  
2 not. So they are saying, okay --

3 THE COURT: I am trying to understand what all  
4 this has to do with the timeliness of the supplemental  
5 report. Don't go around Robin Hood's barn with me. That is  
6 not the way to approach it. Let's get right to the point.

7 MR. B. MURPHY: That was the dispute. We got  
8 their expert's test information. Our expert filed a report.  
9 Their expert filed a report.

10 We deposed their expert on August 8th, 2008, a  
11 few days before the end of the expert discovery period. For  
12 the first time, when I deposed that expert, within the first  
13 30 minutes of the examination, he identified that he had run  
14 another test. He ran the test using the so-called  
15 friability test drum that my client has always used for the  
16 test, and he got a noninfringing result that confirms our  
17 client's noninfringement results.

18 That test was never in any of his expert  
19 reports. It was never identified in discovery. And what he  
20 said was, I just ran it a few days ago. So I think it was  
21 August 5th, 2008 was the date he ran the test. August 8th  
22 was the date of his deposition, which was a week or so  
23 before the formal close of expert discovery. So I asked if  
24 he had any documents that related to the machine that he was  
25 using to make the friability test, and he said, yes, I do.

1       And I said, do you have an instruction manual for the  
2       machine? He said yes. I asked for it to be produced  
3       because it had not been previously produced, even though  
4       it's plaintiff's expert making a so-called infringement  
5       test, if you will, on which they bear the burden and for  
6       which we had discovery requests out.

7                   So we never saw that document, the manual, which  
8       becomes a significant piece of evidence. And, of course,  
9       because he had only run the test three days before his  
10       deposition, we never knew about it. They didn't tell us  
11       about it before the deposition. They did not supplement  
12       their report. They did not tell us at the deposition before  
13       it began that morning, which they could have.

14                  They also did not voluntarily give me the  
15       two-page laboratory notebook entry that their expert made  
16       documenting this test. So he ran a new test three days  
17       before his deposition. They didn't tell us about that.  
18       They didn't give us at least two significant documents that  
19       are now on our trial exhibit list until I asked for them.  
20       One of them was the two-page laboratory notebook entry of  
21       this test I was given at that time of the deposition, and I  
22       took an examination using it.

23                  The manual came a month later, whatever it was.  
24       It came sometime in September. This is the manual that  
25       their expert received with this machine that he is using.

1 So we then thought about, well, we showed this  
2 information to our expert, information, the deposition  
3 testimony, the new notebook entry, and the new manual that  
4 had never been identified and never produced before that  
5 time period, which is now September 2008.

6 THE COURT: And you had interposed a request.

7 MR. B. MURPHY: We did.

10 MR. B. MURPHY: Absolutely, Your Honor. Our  
11 original --

12 THE COURT: I got you. Go ahead.

13 MR. B. MURPHY: We conferred with our expert.  
14 He determined, this was important evidence on two fronts.  
15 The first front -- and it's the first aspect of his  
16 supplemental report that was served in November 2008 -- w  
17 that this is additional evidence of noninfringement.

21 ||| MR. B. MURPHY: It did.

THE COURT: Let's talk about that.

23 MR. B. MURPHY: That was the second point. And  
24 he said this is also additional evidence of the  
25 indefiniteness of the patent, because here you have an issue

1       where they claim to have always been using an abrasion test  
2       drum, but the claim is for a friability test. It's not for  
3       an abrasion test. They said, well, you should have known,  
4       you should have known better.

5           But the fact is, it's in the deposition  
6       testimony of their expert as well as our expert. Neither  
7       one of these experts was familiar with this particular model  
8       of machine because it's not very commonly known and there is  
9       nothing in the patent to describe it.

10           So we said, okay. We would like our expert on  
11       the indefiniteness issue to also opine with this new factual  
12       information which underscores and further supports our  
13       indefiniteness theory. But, yes, they are correct. We had  
14       not articulated that specific basis for the indefiniteness  
15       defense, because there is another problem, which we don't  
16       need to get into this morning.

17           THE COURT: Counsel, your reaction.

18           MR. RIGLER: I think the first comment is,  
19       nothing was withheld. Our expert realized that they were  
20       making a mistake. He did perform another test shortly  
21       before his deposition. He revealed that immediately at the  
22       deposition. We gave them the laboratory notes at that  
23       deposition. And the manual, we did give it to them --

24           THE COURT: Let me interrupt for a second,  
25       counsel, and ask this question: Given the timing of the

1 test, the additional test, which was close to the onset of  
2 the end of discovery, do you think that it was improper, or  
3 unreasonable for I guess it's Dr. Dave to look at the test  
4 results, never mind submitting the opinion, and at least  
5 look at the test results, confer with counsel, and offer his  
6 view as to those results? He is free to do that. Right?

7 MR. RIGLER: Let me think about that.

8 I don't think it was improper for him to confer  
9 with counsel. Do I think he had an excuse for his untimely,  
10 very untimely supplemental report? No, I do not.

11 THE COURT: Wasn't the report in part, at least,  
12 generated at the time that it was as a result of this  
13 testing that the other side learned about, SPI learned  
14 about, close to the end of discovery? No?

15 MR. RIGLER: I think that the thrust of this  
16 supplemental report tries to address the question of two  
17 drums. He had known, if he had looked -- he is supposed to  
18 be an expert. That issue was before him from day one. And  
19 we asked repeatedly in the interrogatories throughout the  
20 discovery process for their theory of invalidity. And he  
21 came forward on indefiniteness with this sieving argument.  
22 He never said anything about the drum. But it was right in  
23 front of him the entire time, with a video of it. And for  
24 him to come along and say, I was surprised, no, I don't  
25 think that is credible. And then when you look further in

1 his report, where he said, so as an expert I conclude it's  
2 indefinite, but, by the way, I also conclude that anyone of  
3 ordinary skill in the art would immediately recognize this,  
4 he has conflicting views.

5 THE COURT: That aside.

6 MR. RIGLER: All of this without the consent of  
7 the Court or without consulting with us. They just filed  
8 it.

9 THE COURT: Mr. Murphy.

10 MR. B. MURPHY: Yes, Your Honor.

11 My response is all of that is fair game on  
12 cross-examination and both sides will cross-examine their  
13 experts on it. Our point was, that supplemental report was  
14 very limited, five pages. And it was based on the test.  
15 Their expert ran the test. We didn't make him do it. He  
16 just did it.

17 I found out about it, and I emphasize, during  
18 the deposition, because I asked him. He put all this  
19 testimony in the record for this motion. I said, as I  
20 always do, is there anything outside your expert report that  
21 you may testify to at trial? And the answer was, I don't  
22 know, maybe. It depends what I am asked at trial. I said,  
23 That's not what I am asking you. I want to know if you are  
24 aware of anything right now that's not in your expert  
25 report. And that's when he said, yes, I did this test.

1                   THE COURT: So the supplemental report, as I  
2 understand it, counsel, is very limited.

3                   MR. B. MURPHY: Yes, it is.

4                   THE COURT: In the subject matter it addresses,  
5 this very discrete area of indefiniteness. Is that correct?

6                   MR. RIGLER: I am sorry, sir?

7                   THE COURT: It addresses a very discrete and  
8 specific area, limited area of indefiniteness.

9                   We are not going to spend much more time on this  
10 because what I am going to do is order a supplemental  
11 deposition. Do you need additional time and would you like  
12 an additional deposition of their expert to explore his  
13 opinions expressed in the supplemental report? Because if  
14 you would, I will order it.

15                  MR. RIGLER: We have a very short period before  
16 trial. And I also might want to try to get more information  
17 from the manufacturer. This so called manual is just a  
18 standard piece --

19                  THE COURT: Counsel, I am not going to  
20 micromanage this. The deposition effort and what you need  
21 to effectively conduct the deposition, I will order counsel  
22 cooperate in this regard. You have sufficient time between  
23 now and trial to do a limited deposition. That is one of  
24 the reasons I stage this process the way I do, so we can  
25 deal in a just way, in a fair way, with these kinds of

1 issues.

2 For me to make a call on this would be fairly  
3 arbitrary. And I don't have the time to drill down as deep  
4 as -- favorite patent words, drill down -- as far into this  
5 as you would like so I could ultimately address who is right  
6 and who is wrong. And I am not sure who is right and wrong  
7 here.

8 I think the answer is, so you have a fair  
9 opportunity to prepare to cross-examine the doctor, that you  
10 get an additional deposition, some additional deposition  
11 time with him.

12 That is the Court's order. I will leave it to  
13 counsel to arrange this deposition at a time convenient to  
14 both parties.

15 I won't tax costs to you. They can pay for  
16 whatever additional costs are associated.

17 That is the Court's ruling.

18 So I am going to deny your motion for purposes  
19 of the record, consistent with what I have said already.

20 Any questions about that from the other side?

21 MR. B. MURPHY: No, Your Honor.

22 THE COURT: All right. Let's jump across the  
23 aisle to SPI Pharma's first motion in limine.

24 I want to explore a possible way to approach  
25 this and other motions that seem to me to be related.

1                   I have made a note to myself that perhaps we  
2 should consider Pharma's No. 3, Motion in Limine No. 3,  
3 along with this motion, as well as Plaintiff's No. 4 at the  
4 same time.

5                   By the way, this motion occurs -- and I should  
6 have identified the docket item before, Ms. Walker, I am  
7 sorry -- 233. It's styled SPI Pharma's motion to preclude  
8 any evidence or argument of infringement under DOE, under  
9 the doctrine of equivalents with regard to the claims of  
10 Roquette's '777 patent.

11                  Does that seem to make sense to counsel, what I  
12 have suggested?

13                  MR. B. MURPHY: I think it does, Your Honor.

14                  MR. RIGLER: It does.

15                  MR. B. MURPHY: I may need my colleague to jump  
16 in on certain points.

17                  THE COURT: That is fine. As I indicated, we  
18 have dispensed with the formalities of the court. This is a  
19 discussion for purposes of trying to tee this matter up to  
20 be tried to the jury in an efficient way, in a fair way.

21                  Let me start out by just making an observation  
22 here.

23                  It comes from, counsel, your answer, No. 1 in  
24 your answering brief at Page 1. Roquette's answer at Page 1  
25 to Pharma's Motion In Limine No. 1. Let me just read into

1 the record the relevant passage. Then I am going to see  
2 where we go from there. Under the argument section, I see,  
3 "SPI contends in its motion that Roquette has waived  
4 reliance on the doctrine of equivalents with respect to the  
5 accused Mannogem EZ product. Roquette disputes that  
6 contention, but notes that it does not intend to assert at  
7 trial that Mannogem EZ infringes any claim under the  
8 doctrine of equivalents and, to that extent, SPI's motion is  
9 moot."

10 Do you agree with that?

11 MR. B. MURPHY: Yes, Your Honor.

12 THE COURT: And you stand by that statement.

13 MR. SNAY: Yes, Your Honor.

14 THE COURT: Next paragraph: "SPI next contends  
15 in its motion that Roquette also has waived reliance on the  
16 doctrine of equivalents with respect to Mannitol HS for  
17 inadequately specifying its equivalents theory with respect  
18 to the dissolution element of Claim 1. Again, Roquette  
19 disputes that contention, but states that it does not intend  
20 to assert at trial that Mannitol HS meets the dissolution  
21 element of Claim 1 under the doctrine of equivalents and, to  
22 that extent, SPI's motion again is moot."

23 Do you concur in that view?

24 MR. B. MURPHY: We do.

25 THE COURT: And you stand by that?

1 MR. SNAY: Yes, we do.

2 THE COURT: Then we have, "SPI acknowledges in  
3 its motion that Roquette has alleged, and provided  
4 supporting testimony from its testing expert, Dr. Brittain,  
5 that the accused Mannitol HS product meets the pulverulent  
6 mannitol recitation of the claims under the doctrine of  
7 equivalents. SPI does not challenge that evidence in the  
8 instant motion. Instead, SPI states that its doctrine of  
9 equivalents arguments with respect to the pulverulent  
10 mannitol element of the claims is provided separately in its  
11 In Limine Motion No. 3. Accordingly, SPI's blanket request  
12 to preclude all evidence concerning the doctrine of  
13 equivalents should be denied and its arguments concerning  
14 the pulverulent mannitol recitation, which SPI reserved for  
15 its Motion In Limine No. 3, should be decided on that  
16 motion."

17 Do you concur?

18 MR. B. MURPHY: I do not, Your Honor. That is a  
19 point of dispute.

20 THE COURT: You do not concur in the last  
21 paragraph.

22 MR. B. MURPHY: Correct. With regard to the  
23 phrase pulverulent mannitol.

24 THE COURT: Why do you disagree?

25 MR. B. MURPHY: Your Honor, because pulverulent

1 mannitol is a two-word phrase that is in every phrase of the  
2 patent, and they did not allege doctrine of equivalents for  
3 that phrase ever, in any claim. The only issue we teed up  
4 in our motion that they tried to preserve under the doctrine  
5 of equivalents was Dependent Claim 16. And that's why, in  
6 Exhibit 2 to our motion, we put their contention responses  
7 in.

8 THE COURT: So essentially, it strikes me that  
9 at least in one of your motions, maybe it's No. 3, you  
10 essentially seem to me to be asserting that the plaintiff is  
11 making an effort to skirt the Court's claim construction.

12 MR. B. MURPHY: Yes.

13 THE COURT: That is your basic and fundamental  
14 assertion.

15 MR. B. MURPHY: Your Honor, may I --

16 THE COURT: No. I am not going to get into  
17 another --

18 MR. B. MURPHY: I am trying to deal exactly with  
19 your issue. I am trying to help.

20 Dependent Claim 16 is the subject of our Motion  
21 No. 3. It does not deal with the phrase pulverulent  
22 mannitol. Our view is they injected that phrase in response  
23 to our Motion No. 1, because they realized they never made a  
24 doctrine of equivalents claim for pulverulent mannitol.

25 THE COURT: Do you concur in this view, counsel?

1 I guess you are going to handle this?

2 MR. SNAY: I will, Your Honor.

3 THE COURT: Remind me of your name.

4 MR. SNAY: Jeffrey Snay, Your Honor.

5 THE COURT: Do you concur in this view that you  
6 never advanced that theory?

7 MR. SNAY: No, we do not concur.

8 I think I can help to boil this down a bit  
9 further than Your Honor has already boiled it down.

10 What Your Honor does not know regarding the In  
11 Limine Motion No. 1 from SPI, we conferred with SPI  
12 yesterday, and Roquette made the further representation that  
13 the element in Claim 1 concerning percentage of particles  
14 smaller than 75 microns, Roquette is not going to assert  
15 infringement under the doctrine of equivalents as to that  
16 element. What that does, Your Honor, the only two elements  
17 that were at issue in SPI's Motion No. 1 were what I just  
18 described, the percentage of particles smaller than 75  
19 microns, which is now off the table, and the pulverulent  
20 mannitol element that we are discussing and is the subject  
21 of SPI's Motion No. 3.

22 So in our view, SPI's Motion No. 1 is moot. And  
23 we can address these issues --

24 THE COURT: I will concur in that view and so  
25 rule.

1 MR. SNAY: Yes. Now if I can address the  
2 pulverulent mannitol, if I can take just a moment to refresh  
3 Your Honor's recollection from the claim construction.

4 THE COURT: Sure.

5 MR. SNAY: Claim 1 recites, begins, a  
6 pulverulent mannitol comprising, followed by four listed  
7 properties. In the explicit text of Claim 1, as patented,  
8 there was no reference to a mannitol richness, percentage of  
9 mannitol present in the composition. However, in Dependent  
10 Claim 16, there was a mannitol richness element that was  
11 added to further limit the composition of the product in  
12 Claim 1.

13 So in Dependent Claim 16, as patented, the  
14 explicit terms of the claim referred to a mannitol richness  
15 that is greater than approximately 90 percent. This was a  
16 term that Your Honor construed during claim construction,  
17 and also the term pulverulent mannitol, from the independent  
18 Claim 1, was construed during claim construction. And the  
19 end result was this mannitol richness element that was  
20 explicitly referred to in Dependent Claim 16, Your Honor  
21 decided that that mannitol richness is implicitly recited in  
22 Claim 1.

23 So SPI has not disputed Dr. Brittain -- and  
24 also, in our infringement contentions, we clearly gave  
25 notice of our assertion of doctrine of equivalents as to the

1                   mannitol richness element which appeared in Dependent Claim  
2                   16. Now, by operation of Your Honor's claim construction  
3                   ruling, that mannitol richness element is implicitly present  
4                   also in Claim 1 as the definition of pulverulent mannitol.

5                   So our view, Your Honor, is we gave clear  
6                   notice, both through our infringement contentions and our  
7                   expert's report, of our doctrine of equivalents assertion  
8                   with respect to the mannitol richness element. As Your  
9                   Honor knows, doctrine of equivalents applies to elements,  
10                   not to claims.

11                   So in our view, Your Honor, our notice to SPI of  
12                   our doctrine of equivalents assertion as to mannitol  
13                   richness applies wherever that element is found throughout  
14                   the claims.

15                   THE COURT: Mr. Murphy.

16                   MR. B. MURPHY: Yes, Your Honor. Two points,  
17                   one procedural, one substantive.

18                   Procedurally, this issue about pulverulent  
19                   mannitol we attached as Exhibit 2 to our motion, which is  
20                   the plaintiff's last contention interrogatory response,  
21                   SPI's Pharma's Motion No. 1 --

22                   THE COURT: Go ahead.

23                   MR. B. MURPHY: In Exhibit 2, we attached the  
24                   complete -- this was the last supplement of the contention  
25                   interrogatories before we began the expert phase of

1 discovery. So it's essentially at the end of fact discovery  
2 and we are getting ready to do expert recovery.

3 Both sides supplemented. They gave us this  
4 claim chart. So I am reading this, and I am saying, okay,  
5 what do we got?

6 The first page of Claim 1, the first limitation  
7 of the claim is pulverulent mannitol. And all they said was  
8 that our EZ product is pulverulent mannitol. Okay. Fine.  
9 That is all they said.

10 If you jump to Page, this is the same document,  
11 Page 8 and Page 9 of the response, Your Honor, the bottom of  
12 Page 8...

13 THE COURT: Of the exhibit.

14 MR. B. MURPHY: Yes, Your Honor.

15 THE COURT: Which is a chart.

16 MR. B. MURPHY: Yes. So we are focusing now on  
17 Dependent Claim 16. I am reading this, it carries over to  
18 the next page. And you can obviously read what it says. So  
19 the point is, the words pulverulent mannitol appear in every  
20 claim. And they never uttered the words doctrine of  
21 equivalents except -- and I am going to get the page for  
22 Your Honor in this document -- Page 17 of this response.  
23 Again, now, this is Dependent Claim 16 applied to the second  
24 accused product.

25 We have two products accused, EZ and HS. Now,

1 this, as you saw with EZ, there was no assertion of  
2 equivalence. And I might add, there was no assertion in the  
3 expert's infringement report, either, with regard to  
4 pulverulent mannitol. But in Dependent Claim 16, asserted  
5 against the Mannitol HS product, they did give us notice.  
6 And we acknowledged this. We said, yes, you did give us  
7 notice. We think it's inadequate but, okay, you gave us  
8 notice of doctrine of equivalents because Mannitol HS does  
9 not have at least 90 percent mannitol richness. The  
10 disputed phrase is, because it's in Claim 16, what is the  
11 mannitol richness requirement of pulverulent mannitol? And  
12 they recognized that the HS product is below the 90-percent  
13 level.

14 So they said, well, that may be the case, but it  
15 still would infringe under the doctrine of equivalents.

16 So our Motion No. 3 addressed that claim and  
17 that point. And we said, we understand your position,  
18 except Chief Judge Sleet's claim construction said that  
19 pulverulent mannitol must have a mannitol richness of at  
20 least 90 percent.

21 So the legal issue that we raised in Motion No.  
22 3 -- my colleague Dan Murphy will address the legal issue --  
23 is that given Your Honor's claim construction, based on a  
24 reading of the patent specification, because when we were  
25 down here we went through the spec in detail, Your Honor

1         ruled that it was an essential limitation of the claimed  
2         invention.

3                     THE COURT: Does this bring this into the realm  
4         of a motion for summary judgment?

5                     MR. B. MURPHY: I think it does.

6                     THE COURT: I think it does. And I am not going  
7         to address it at this time. I think you are right, it does.  
8         You will have another chance to address it. But not today,  
9         not in the form of a stealth motion for summary judgment,  
10        which is what I view No. 3 to be, and have from the time I  
11        sat down and read it.

12                   Counsel, with respect, I don't need to hear from  
13        you.

14                   The motion is denied.

15                   Where does that leave us in the view of the  
16        parties? The essence of No. 4, that is Roquette's No. 4,  
17        while it's related in some way to DOE, has to do with an  
18        untimely assertion of the defense of prosecution history  
19        estoppel. That is really what I am concerned about as far  
20        as that motion. Not so much the legal -- it's a process  
21        issue. Do you want to go ahead and address this motion?

22                   MR. SNAY: Yes, Your Honor. Thank you. I think  
23        I can present our position very briefly.

24                   As we have just discussed, and as I understand  
25        as a consequence of our discussions it's clear, the only

1 element that Roquette intends to assert doctrine of  
2 equivalents, infringement under doctrine of equivalents, is  
3 the mannitol richness and as a definition of pulverulent  
4 mannitol. Therefore, prosecution history estoppel has no  
5 purpose as to any other issue than Roquette's doctrine of  
6 equivalents assertion as to that element.

7 So that boils this rather convoluted briefing  
8 down to that single issue, which I hope is helpful.

9 Our argument, Your Honor, really is merely that  
10 SPI never asserted prosecution history estoppel with respect  
11 to this mannitol richness element. It could have done so by  
12 approaching Your Honor with a request for motion for summary  
13 judgment. It did not. And, in addition, the mannitol  
14 richness element, as well as the pulverulent mannitol term,  
15 which has the mannitol richness as its definition now,  
16 neither of these terms were ever amended during prosecution.  
17 These were terms existing in the original claims.

18 So by virtue of that alone, there simply cannot  
19 be prosecution history estoppel to limit the scope of the  
20 equivalence.

21 MR. B. MURPHY: Your Honor, on this notion of  
22 pulverulent mannitol, mannitol richness, we never alleged  
23 prosecution history estoppel. We don't know now. There is  
24 no prosecution history estoppel. Our motion is based on  
25 Your Honor's June 11th claim construction ruling. So this

1 Motion No. 4 -- it is all confused, because we were saying,  
2 look, if you preserve -- you never alleged doctrine of  
3 equivalents, so we had nothing to respond to. Now they are  
4 alleging doctrine of equivalents, which we say is improper.  
5 But for pulverulent mannitol, prosecution history estoppel  
6 is not an issue.

7 MR. SNAY: May I address that, Your Honor?

8 THE COURT: Sure.

9 MR. SNAY: If I understand Mr. Murphy's comment  
10 correctly, he is informing us that SPI does not intend to  
11 assert prosecution history estoppel as to the mannitol  
12 richness, pulverulent mannitol elements. Based on that  
13 representation, I think there is nothing left to our Motion  
14 No. 4 and would say that it is moot.

15 MR. B. MURPHY: Your Honor, for the record, we  
16 will preserve our objection to their asserting --

17 THE COURT: Counsel, of course, you preserve  
18 your position.

19 MR. B. MURPHY: I just wanted to respond to the  
20 comment.

21 THE COURT: The motion is moot.

22 So this is SPI Pharma's No. 2. I don't think we  
23 have addressed that yet.

24 MR. B. MURPHY: That's correct, Your Honor.

25 THE COURT: That is your motion to preclude all

1 evidence of friability data taken by Roquette using non-TAP  
2 model ERWEKA friability testing machine.

3 Counsel.

4 MR. B. MURPHY: Yes, Your Honor. This, I hark  
5 back to my introductory comments this morning. This motion,  
6 again, comes about directly because of Your Honor's claim  
7 construction ruling on June 11. So, of course, the parties  
8 didn't have that ruling until June 11. Once we got the  
9 ruling -- and again, this relates specifically to the  
10 friability claim limitation, and Your Honor's ruling that  
11 the Test 1 friability test, which includes the so-called  
12 mechanical action in the ERWEKA TAP model friability  
13 machine, that is the literal claim construction. And there  
14 is no dispute that Roquette never alleged doctrine of  
15 equivalents for that limitation. We have got that cleared  
16 up this morning. There is no dispute that their expert did  
17 not use an ERWEKA TAP model friability testing machine, nor  
18 did their technician, who also gave deposition testimony.  
19 They each used a different model of machine.

20 And so because Your Honor ruled that it requires  
21 the ERWEKA model -- excuse me, the ERWEKA TAP model  
22 friability test machine, and because there is no doctrine of  
23 equivalents allegation, we said the natural conclusion of  
24 that ruling is that their expert's infringement test results  
25 use the wrong model of machine and can't support a literal

1 infringement claim.

2 There might be an argument under doctrine of  
3 equivalents, but they didn't make it, and they have  
4 acknowledged that they are not going to assert it.

5 So our point was, well, wait a minute. You  
6 can't have it both ways. If you are going to change the  
7 machine, if you are going to change the so-called drum on  
8 the machine, and do something that is different than what is  
9 literally required by the claim, again, based on Your  
10 Honor's ruling, that is unfairly prejudicial, because, as  
11 counsel said, their test results using a different model of  
12 machine in a different test drum comes out within the 40 to  
13 80 percent friability claim limitation. That is the point  
14 of dispute.

15 Well, if you don't have an equivalence  
16 assertion, and you don't literally meet the claim  
17 construction, putting in front of the jury data points as to  
18 say, weight, no, friability, these guys have friability 60  
19 percent. It is right smack dab in the middle of the claimed  
20 range. We say that is unfairly prejudicial. That is the  
21 essence of the motion.

22 THE COURT: Okay. Counsel.

23 MR. RIGLER: We do meet the literal element in  
24 the claim construction.

25 To refresh Your Honor's recollection further,

1 you construed this term, agreeing with Roquette because they  
2 said it was indefinite and there was no such machine as an  
3 ERWEKA TAP model. That was their expert opinion. You  
4 said -- we showed you that there was a machine, they now  
5 concede it, and you have adopted our definition.

6 We literally are going to prove that we meet  
7 that definition.

8 The friability is a machine, the patent  
9 specifies that basically it's a motor and it drives a shaft,  
10 and it turns the shaft 25 revolutions per minute. And you  
11 attach a drum to it. Any shaft will do that.

12 We have expert opinions saying, it meets the  
13 terms of the patent. We used the TA model. The TA model is  
14 just an upgrade.

15 The patent was applied for in the 1993-1994 time  
16 period. TAPs were obsolete or obsolescence made it hard to  
17 come by. It is very difficult to find one.

18 Let me give you just for a minute an example.  
19 Suppose we talk about another patent where we are going to  
20 make some chemical composition by adding boiling water to  
21 three or four chemicals, and letting the water dissolve the  
22 chemicals, then we have a new patented product. And our  
23 patent says, take a quart of water and heat it to boiling on  
24 a General Electric Model 100 stove. And time goes by and  
25 General Electric changes the model each year. And so we

1 take some water, a quart of water, and we heat it on a  
2 General Electric model 200 stove, and we pour the boiling  
3 water in. These are product claims. It all comes out the  
4 same. And our expert has opined to that effect. And this,  
5 I think, is similar to the Martek decision, in which the  
6 Federal Circuit, as you know, sustained just that kind of  
7 reasoning. We literally are going to meet the claims  
8 because the expert said the shaft rotates the same, it is  
9 the same. It should be a nonissue.

10 More importantly or equally importantly, it is a  
11 motion for summary judgment.

12 THE COURT: What is your reaction to counsel's  
13 assertion that SPI will be prejudiced if I permit this or  
14 deny the motion?

15 MR. RIGLER: In what possible way?

16 THE COURT: I don't know. He has made the  
17 argument.

18 MR. RIGLER: I guess I don't have a reaction  
19 because I don't see the prejudice. It's a fact. The expert  
20 said if you turn it in the TA model instead of the TAP model  
21 it's virtually the same. The only difference, we gave you  
22 some illustrations, is they put some digital controls on the  
23 thing. It's the same motor turning a shaft. There is no  
24 prejudice.

25 THE COURT: Counsel.

1 MR. B. MURPHY: Your Honor, several points that  
2 we have to resolve before the trial on this important issue.

7 Your Honor did conclude that the claim  
8 construction was more limited. You say, Appropriately so,  
9 given the prosecution history, to be ERWEKA model TAP  
10 friability machine. That is not what they proposed. So  
11 their proposal, in our view, was an effort to capture  
12 equivalence, which they never alleged or preserved. Point  
13 No. 1.

14 THE COURT: Do they concede that?

15 MR. B. MURPHY: Yes, in response to Motion No.  
16 1, yes, they did.

17 So the logic of our position is, look, if you  
18 don't have an equivalence claim, and you concede you never  
19 made one, and you concede you are not going to allege  
20 equivalence at trial, and now that your claim construction  
21 proposal has not been accepted, at least not in its  
22 entirety, Your Honor, as Your Honor will do, took part of it  
23 and made your ruling, we think that is appropriate. And  
24 nobody knew what that ruling was going to be until June  
25 11th. But now having that ruling -- and again, with the

1 literal claim limitation requiring the ERWEKA TAP model,  
2 which they wrote into the claim in response to a rejection,  
3 so they wrote the limitation into the claim, Your Honor is  
4 holding them to it. And they have always said, we are going  
5 to assert only literal infringement, but the only test data  
6 that they have is from a different machine. And the  
7 statements that counsel has made, and in particular the  
8 exhibit attached to their opposition brief on this motion,  
9 there is no evidence in the record. Their expert said none  
10 of this in his expert report. And he said nothing about it  
11 in his deposition. And it's their burden to prove  
12 infringement.

13 What did they do? They attached as Exhibit A to  
14 their opposition to this motion a document. I think it's in  
15 the German language. It doesn't matter. It's a  
16 publication, a technical publication, that identifies an  
17 ERWEKA TAP. What they are saying is, based on the Martek  
18 case, this is, quote, circumstantial evidence of  
19 infringement. Well, one, it's not circumstantial evidence.  
20 It's evidence to suggest that this different machine, what  
21 counsel characterizes as an upgrade, for which there is no  
22 evidence in the record, it's an attempt to suggest that it's  
23 a machine that accomplishes substantially the same function,  
24 in substantially the same way, to achieve substantially the  
25 same result, which is a doctrine of equivalents argument.

1       It is not circumstantial evidence.

2                   The reason the Martek case -- and I went back  
3                   and read that very carefully. I understand it was Your  
4                   Honor's decision that was affirmed on appeal. And I think  
5                   if Your Honor and chambers will look at the claim in that  
6                   case, it is a very different claim. That is the difference.  
7                   Here, they wrote this test procedure into the claim. And  
8                   they had to do it by way of amendment to get their claims  
9                   allowed. Now that they have done it and Your Honor has  
10                  said, yeah, this is the procedure you claim, and it requires  
11                  this model of machine, they didn't have to do that if they  
12                  didn't want. They could have argued it or tried different  
13                  claim language. But they didn't.

14                  So our point is, well, you can't come into court  
15                  now and take a different position on literal infringement.  
16                  That is unfairly prejudicial, because how is a jury -- how  
17                  is a jury really supposed to make that distinction? Well,  
18                  this machine model, that machine model?

19                  It is a technical matter of claim construction.  
20                  Once Your Honor clarified it in the claim construction  
21                  ruling, in my judgment, the outcome is clear. They haven't  
22                  preserved the issue. That's what is prejudicial.

23                  THE COURT: Okay. I got you.

24                  One last comment.

25                  MR. RIGLER: He is confusing literal

1 infringement, which we do allege, with the ability to prove  
2 that by circumstantial evidence. And our expert has  
3 testified that the result would be the same by using any  
4 shaft that would rotate at 25 rpm that would spin a drum  
5 with that. That is what is important in the patent. And  
6 circumstantial evidence should be sufficient to show that we  
7 meet the element of the claim by using a machine that  
8 performs exactly the same function as the TAP. And if we  
9 know that, this is nothing more than a summary judgment  
10 motion.

11 But I think it's important, also, to understand  
12 that we are not saying there is no literal infringement. We  
13 are saying, we are proving literal infringement through  
14 circumstantial evidence.

15 THE COURT: I will give you the last word.

16 MR. B. MURPHY: Yes, Your Honor.

17 What they are saying, without trying to use the  
18 words, is they used a different machine to achieve the same  
19 function, in the same way, with the same result, which is  
20 classic Graver Tank equivalence.

21 THE COURT: I am going to reserve on this. I  
22 will get back to you.

23 MR. B. MURPHY: Thank you, Your Honor.

24 THE COURT: I have next, I think, two matters  
25 that we can consider together. Let's see. I have grouped

1 Roquette's In Limine Motion No. 2 to exclude evidence  
2 relating to willfulness with SPI's Motion In Limine No. 4 to  
3 preclude Roquette from preventing any evidence or argument  
4 concerning SPI Pharma's opinions of counsel.

5 It seems to me to make sense to consider those  
6 two together. Does anyone disagree with that?

7 MR. B. MURPHY: No, Your Honor. That makes  
8 perfect sense.

9 THE COURT: Bear with me a second.

10 I had made a note, and I didn't follow up by  
11 highlighting the language that I wanted to get you to  
12 comment on. I can't find it.

13 Let me get, I will get Roquette to start off. I  
14 don't think there is disagreement over Knorr-Bremse and its  
15 impact.

16 MR. B. MURPHY: Your Honor, Dan Murphy will  
17 respond.

18 MR. D. MURPHY: Your Honor, I agree, Your Honor.  
19 Our Motion No. 4, which asks Your Honor to preclude  
20 reference to SPI's opinions of counsel at trial, was  
21 effectively mooted when we received Roquette's Motion in  
22 Limine No. 2, which basically asks for the same relief. But  
23 it asked for additional relief.

24 THE COURT: I thought I saw a concession or a  
25 point of potential agreement when I read the two motions. I

1 can't find the language.

2 MR. D. MURPHY: There is certainly very close  
3 agreement. It is a question of what is Roquette seeking to  
4 exclude in addition to what is outlined in its motion. What  
5 I understand is both parties don't want reference, evidence  
6 or argument, made with respect to the opinions of counsel.  
7 I don't think Roquette challenges that.

8 THE COURT: I think Roquette agrees with that.  
9 Right? I think Roquette agrees with that statement.

10 MR. RIGLER: We agree, to try to telescope it,  
11 both sides seem to agree that the opinion of counsel doesn't  
12 come in. They have agreed to defer reference to any testing  
13 or development because all of that allegedly occurred at the  
14 direction of counsel.

15 There is one point of disagreement.

16 THE COURT: Let's identify it, so we are clear  
17 about what we are talking about.

18 MR. RIGLER: It is an important one. That is,  
19 they want -- throughout the deposition process, their  
20 witnesses kept saying, and we assured ourselves that there  
21 was no infringement and after we confirmed, et cetera.

22 If you turn to our reply at Page 2, we gave you  
23 a series of quotations from witnesses. This is from the  
24 Roquette's reply --

25 THE COURT: It's No. 2?

1 MR. RIGLER: To their opposition.

2 THE COURT: Do you have it, counsel?

3 MR. D. MURPHY: I am sorry.

4 MR. B. MURPHY: I am sorry, Your Honor.

5 THE COURT: We are talking about Roquette's  
6 reply to their Motion in Limine No. 2.

7 MR. RIGLER: What their witnesses said was the  
8 team developed the product to be outside of that patent just  
9 working with our attorneys.

10 We developed a product to be around the patent.

11 New quote: We were aware the patent was there.

12 We developed the product to be outside the patent.

13 Another quote: We developed the product to be  
14 outside the patent.

15 Another quote: We worked to get around it. So  
16 that's to work, to develop the product outside of the  
17 patent.

18 When we said what did you do to avoid the  
19 patent, they flatly refused to answer on grounds of  
20 privilege

21 So we think that the order should prohibit the  
22 witnesses from saying we worked to get around the patent  
23 when we say, well, what did you do? Well, we can't tell you  
24 that, we worked with our attorney to do it. That gives the  
25 jury a terribly prejudicial and misleading impression.

1 MR. D. MURPHY: Your Honor, may I respond?

2 THE COURT: Yes, please.

3 MR. D. MURPHY: At the very beginning of the  
4 development of Mannogem EZ, one of the accused products, SPI  
5 Pharma obtained opinions of counsel and it tested its  
6 development stage product at the instruction of counsel to  
7 determine whether or not it was within the claimed range.  
8 It listed and identified those documents on its privilege  
9 log. Never disclosed them. It's not relying on them. It's  
10 not in our trial exhibit list. And at deposition, of  
11 course, we blocked inquiry into those tests.

12 And we have no intention at trial to inquire of  
13 our witnesses about those tests.

14 The difficulty is, when Mr. Rigler points out  
15 some of the questions that were asked at deposition and the  
16 witnesses responded, and we worked to avoid the patent, Mr.  
17 Rigler didn't mention that his question that elicited one of  
18 those responses was, independent of any advice you received  
19 from lawyers, can you direct any activities or response in  
20 connection with Roquette's concern of patent infringement?

21 Our witness responded, I knew about the patent.  
22 I attempted to not fall within it. And I directed people to  
23 avoid it.

24 I mean, if it was fair for them to inquire about  
25 independent of counsel, what did you do, and he responded. I

1       intended to avoid the patent, if we want to ask our witness  
2       at trial his intention from the get-go, independent of what  
3       he found out about from his tests directed at counsel's  
4       request, I think we should be allowed to do it.

5               THE COURT: I wouldn't see why you wouldn't be  
6       allowed to do that.

7               Mr. Rigler.

8               And questions along those lines, without  
9       reference to counsel.

10              MR. D. MURPHY: Absolutely.

11              THE COURT: You don't resist Pharma's --  
12       independent of counsel's directives, a witness wants to say,  
13       we tried to not infringe, that's not a difficulty, is it?

14              MR. RIGLER: The question, as I understand, in  
15       the testimony, every single thing that SPI did was to get  
16       around the patent at the direction or in conjunction with an  
17       attorney. Every single thing.

18              THE COURT: Where are you reading from?

19              MR. RIGLER: I am reading from Page 2 of the  
20       reply.

21              THE COURT: But your opponent has pointed out a  
22       question, I think propounded by Roquette's, one of your  
23       lawyers, maybe you, independent of counsel, to a Pharma  
24       witness, an SPI Pharma witness. Why don't you continue on.

25              MR. D. MURPHY: Your Honor, we have PDTX-45, is

1 another example, this particular exhibit wasn't objected to  
2 by Roquette. It's on our trial exhibit list. It's an  
3 e-mail correspondence, from Colleen Blackney, who is an SPI  
4 Pharma employee, with a representative of Roquette, and the  
5 parties were conferring about possible infringement. The  
6 date of the e-mail chain is September 27th, 2004. The  
7 parties were conferring about the different results of each  
8 to achieve for infringement.

9 Our client wrote back to Roquette, Roquette's  
10 representative, "We confirm that we are still getting  
11 results outside the patent parameters as was designed when  
12 we developed the process."

13 And that was asked at deposition independent of  
14 counsel's advice, what did you do. And the president of the  
15 company said we intended to avoid the patent and I directed  
16 others to avoid it. And in this instance, years later, when  
17 Roquette required, the same answer was given. And there was  
18 no objection to this exhibit on that score. So, again, we  
19 think what was fair for Roquette to ask about intention we  
20 should be able to if we decide to.

21 MR. RIGLER: The question is, from the very  
22 beginning, everything was done at the direction of counsel.  
23 To the extent that we were asking about that, that's  
24 perfectly fair for us to ask the question. But then when  
25 they make the objection, or when they put in an answer that

1 is favorable, they think, to themselves, and then cut off  
2 all testimony, it's unfair to allow that part of the answer  
3 in before the jury. They can't say, we assured ourselves  
4 but I can't tell you because we were working with counsel.

5 Once they said every single thing we did we  
6 found out about the patent through counsel, we worked with  
7 counsel, everything we did was through counsel, then --

8 THE COURT: Mr. Rigler, forgive me, I have a  
9 question.

10 Mr. Rigler complains that, I guess what he might  
11 characterize as a conclusory assertion that your client did  
12 certain things, independent of counsel, to avoid the patent,  
13 he should be able to inquire, what are those things that you  
14 did. And he is saying that he wasn't permitted to do that,  
15 I think, further, at deposition, and the basis for cutting  
16 him off was privilege, an assertion of privilege by whoever  
17 was representing SPI Pharma at the time.

18 MR. D. MURPHY: Your Honor, Mr. Rigler at  
19 deposition was blocked from inquiring into what did SPI  
20 Pharma do during the development stage testing, it was a  
21 very specific time period, and limited activities with  
22 respect to testing the product to see if it fell within the  
23 claim range of friability.

24 We absolutely are not going to inquire of our  
25 witnesses whether or not they avoided the patent or

1 confirmed that they avoided the patent by referencing those  
2 tests. There is no disagreement on that. The question,  
3 again, is the scope of how much they are trying to exclude  
4 by getting Your Honor to rule in favor of their motion. SPI  
5 Pharma, when it started to manufacture this product nine  
6 years ago, during the manufacturing process, constantly  
7 tested the product to make sure it fell outside the claimed  
8 friability range.

9 Their motion is vague. When they say, oh, every  
10 test was done under advice of counsel, at least that's the  
11 response of one of SPI's witnesses, I don't know if they are  
12 now trying to make a stealth motion to exclude things that  
13 were absolutely non-privileged and that they had enough --

14 THE COURT: Fair enough. Here is what I think  
15 is the proper resolution of this. That is to deny both  
16 motions without prejudice, as are all evidentiary motions in  
17 limine, to the extent that they involve evidence and are not  
18 otherwise motions for summary judgment. These are denied  
19 without prejudice to your ability to renew them in realtime  
20 by way of objection. I may have a better view and a more  
21 particularized and better focused ability to rule on the  
22 objection. You may have a better ability to articulate the  
23 objection at the time. And I trust that both of you will at  
24 the appropriate time.

25 So I am going to deny both motions without

1       prejudice. You are free to bring them up again by way of  
2       objection.

3                   Yes, sir.

4                   MR. D. MURPHY: Your Honor, you are denying our  
5       Motion No. 4, which we both agreed wouldn't reference  
6       opinions?

7                   THE COURT: Fair enough. No. 4, you agree upon.  
8       So I am going to grant No. 4. Thank you for that  
9       correction, counsel. I will deny No. 2, that is Roquette's  
10      No. 2, without prejudice. Both sides, you can certainly  
11      raise objections at the time, if an inquiry is made that you  
12      feel is objectionable in this regard as well.

13                  MR. RIGLER: But the representations SPI made in  
14       connection with the motion that they do not intend to  
15       introduce evidence regarding testing and development, that  
16       will be --

17                  THE COURT: Everything that counsel says here, I  
18       am going to hold you to it. And I am sure you are going to  
19       hold their feet to the fire at trial. You are going to have  
20       a transcription of this record. So, for sure, you are  
21       protected, I think, Mr. Rigler.

22                  No. 4 is granted. No. 2 is denied.

23                  I think this is our last motion in limine. This  
24       is Roquette's No. 3, to exclude testimony of Douglas  
25       Flanagan. I think what I am about to say will sort of nip

1       this matter in the bud. It relates to an issue that is  
2       raised somewhere in the pretrial order. It has to do with  
3       how I am going to handle inequitable conduct. I am going to  
4       handle it. We are not going to have an advisory jury or  
5       anything. The Court will take those issues.

6                   So, you know, if you still want to advance this  
7       motion, that is fine. We can address it at a later time,  
8       counsel. I don't know. What do you want to do?

9                   MR. RIGLER: It's your preference, Your Honor.  
10                  If you have read the motion...

11                  THE COURT: I have read it. My view is, let him  
12       testify. You are trying it to the Court. If I determine  
13       that the evidence is improper, it won't be considered.

14                  MR. RIGLER: We understand that. We accept your  
15       disposition either way. I think to save time we can  
16       eliminate it because I don't think his testimony could  
17       possibly be of any assistance to the trier of fact.

18                  THE COURT: It wasn't clear to me, as long as  
19       Dr. Flanagan isn't being stood up as a patent expert,  
20       so-called.

21                  MR. B. MURPHY: Absolutely not.

22                  THE COURT: I am probably inclined to say, let's  
23       take the time, just go ahead and hear it. How much time  
24       will his testimony take?

25                  MR. B. MURPHY: My only question is when would

1 you like to do that? Would it be after the jury verdict?

2 THE COURT: Yes.

3 MR. B. MURPHY: Only because the expert's

4 schedule and our schedule and your schedule --

5 THE COURT: After the jury renders its verdict.

6 MR. B. MURPHY: The next week or the next day,

7 we will just deal with it then?

8 THE COURT: I don't know at this point.

9 MR. B. MURPHY: Fair enough.

10 THE COURT: I will deny the motion for the  
11 record and we will hear him, maybe.

12 Okay. I think that does it for the motions in  
13 limine. Why don't we take a stretch break.

14 (Recess taken.)

15 THE COURT: Okay. So, counsel, let's do it this  
16 way. We will just walk through the order. Everybody has a  
17 copy of the proposed order, pretrial order. Let's just walk  
18 through it. If I miss something, call it to my attention:  
19 Judge, you went past Page 2, there is an issue there.

20 MS. GRAHAM: Your Honor, I want to make sure  
21 that the Court is aware, we filed a corrected exhibit list  
22 yesterday. There had been a mistake in what was originally  
23 submitted. We didn't want to resubmit the whole order to  
24 you. We filed that separately.

25 THE COURT: That is fine. Since you raised

1 exhibits and since we have been talking about evidence, I  
2 think you probably are all aware, because you all have good  
3 Delaware counsel, that I am about to, and will now,  
4 summarily overrule your objections to exhibits. But it's  
5 not as bad as it sounds. It really isn't, because that's  
6 without prejudice. You know what you have submitted. There  
7 is no way as a practical matter that anybody can sit down  
8 and deal with all of those various objections. I know that  
9 you are preserving your positions for the record. That is  
10 fine. That's what you should do. But on that subject -- so  
11 everything is in. That which you don't want in, you have  
12 got to call back to my attention. You can't wait until the  
13 jury is in that box to do that. So I set some time aside.

14 MR. B. MURPHY: That is exactly what I intended  
15 to ask Your Honor. I understand you didn't want to  
16 interrupt the jury process.

17 THE COURT: Let me tell you what my process is.  
18 You will need to follow it. It does require some  
19 pre-planning, some conversation, some communication. And  
20 you have been doing that, so you will continue to do that.  
21 You have arrived at treaties as to when you are going to  
22 notify one another, I am sure it's in this pretrial order  
23 somewhere, when you are going to notify one another of the  
24 day's witness list and when you are going to exchange  
25 witness lists and demonstratives and all that kind of thing.

1       So you will know at least the evening before the next day's  
2       session as to whether there are evidentiary matters we need  
3       to discuss.

4               What I do is, on the first day for sure, we are  
5       going to meet at 8:30, on the morning of jury selection. We  
6       will have some time -- unless there are no issues. And that  
7       will be a first, in a patent case.

8               The jury, you can expect, will get up, the  
9       venire, the panel, around 9:30, between 9:30 and 10 is  
10       approximately a good approximation for the time it takes for  
11       Mr. Trickey and his colleagues to do what they do with the  
12       panel. So we will have some time together to discuss  
13       evidentiary matters and other things that we may need to  
14       discuss.

15               We will proceed in that way, on that day, and we  
16       will let the jury go at 4:30. I will stay, if there are  
17       matters in anticipation of the next day's testimony that you  
18       already know -- Judge, we have got some evidence or some  
19       housekeeping matters, or whatever the case may be, that we  
20       need to prepare ourselves for so that when the jury comes  
21       back at 9:00 and they are in there, and they do come on time  
22       and I want us to be on time, that we don't waste their time.

23               That is the way I proceed. It just goes that  
24       way. I will plan on meeting with you at 8:30 on the morning  
25       of the subsequent days, unless you tell me, Judge, we don't

1 need you. That is fine.

2 I am fine with that.

3 That is the way, on exhibit matters that we need  
4 to re-address, we will do that. Any questions about that?

5 MR. B. MURPHY: No, Your Honor.

6 THE COURT: Let's go through. Obviously, you  
7 will tell me if these are not issues and you were just  
8 preserving a position and we don't need to discuss them.

9 I am at Page 6. That is the first place I see  
10 bold language that announces an objection. This is  
11 Roquette's objection to SPI's refusal, alleged, to specify  
12 the subject matter for each of its expert witnesses. Is  
13 that still a live issue?

14 MR. RIGLER: Yes.

15 THE COURT: It is.

16 MR. RIGLER: As we understand the rule here,  
17 only one expert witness on each subject per party will be  
18 permitted to testify absent good cause shown. If more than  
19 one expert is listed, the subject matter should be  
20 specified. We fail to see any good cause to have double  
21 witnesses on the same point.

22 As I mentioned at the beginning, there are 27  
23 product claims. We have an expert who will address all  
24 issues relating to those 27 product claims. They have a  
25 primary expert. That's Dr. Dave. We have been talking

1 about him. He is going to present their defenses regarding  
2 invalidity and obviousness. Each side has a separate  
3 witness for the process claim. That's fine. And we  
4 understand that. We don't have any overlap on ours. But  
5 they say each of their witnesses may testify with respect to  
6 the claims that the other witness is going to address.

7 First, Your Honor, we raised the objection. We  
8 did try to reach some accommodation. And they specified a  
9 little more. But it still overlaps on obviousness, and we  
10 still don't see any necessity. We don't see any good cause  
11 whatsoever to have two witnesses address the same subject.  
12 Since that seems to be the Court's rule, we would like, on  
13 good cause and failure to specify both, we think that you  
14 should confine them to that. We don't see any prejudice,  
15 either.

16 THE COURT: Counsel.

17 MR. B. MURPHY: Your Honor, it is our rule, too.  
18 What I thought we said in our addendum, because they  
19 objected to it and we redrafted it, we actually gave them, I  
20 think, a fair amount of detail. We are not going to overlap  
21 on anything. There may be, just so Your Honor understands  
22 this technology, there are some aspects of a claim that  
23 might relate to a process point. There are other aspects of  
24 the claim that are more technical, testing, use this  
25 equipment, do it this way. Those are two different

1       witnesses. They are not going to opine on the same things,  
2 I understand that.

3                   THE COURT: So with that understanding, are you  
4 comfortable, counsel? Let's do it this way: You will  
5 exchange witnesses. You will know who is testifying. If  
6 you identify someone in advance, we can discuss that, that  
7 you think is duplicative or cumulative, you are right,  
8 absent good cause, I am not going to permit that.

9                   MR. RIGLER: I am not comfortable with it. When  
10 they say each one -- I think we just had an example. Each  
11 one is going to talk about obviousness in a claim. I don't  
12 understand the overlap. And I think as a practical matter  
13 it's going to be impossible for them not to overlap.

14                  THE COURT: Well, let's get a further reaction.

15                  MR. B. MURPHY: I guess I disagree. They are  
16 going to talk about different aspects, different references,  
17 for example. There might be one expert who talks about  
18 certain references. Another expert might talk about a  
19 different reference. It all relates to obviousness. But  
20 it's not the same point. It's a different technical point.  
21 I am not going to ask two different experts the same thing  
22 at all with respect to any of these claims.

23                  THE COURT: It is typically the case in these  
24 types of matters that we see, let's take obviousness, we see  
25 one witness that is called to discuss the subject. I

1       won't -- I have learned not to say never or that it has  
2       never happened that I have had, in the time I have been  
3       doing this I have "never" permitted that approach, but it's  
4       not one of which I am very fond. It seems to me that the  
5       experts engaged should be able to discuss, in this instance,  
6       obviousness. And why would we need multiple experts on that  
7       subject?

8                    MR. B. MURPHY: Only to address two different  
9       technical points. Very limited.

10                  THE COURT: One witness should be able to  
11       address both technical points.

12                  MR. B. MURPHY: Let me raise this issue then,  
13       Your Honor. Then their response and part of their cross  
14       might be, this expert isn't competent to give that  
15       testimony. He is not qualified.

16                  THE COURT: If that happens, then I am -- that  
17       is a different issue. Mr. Rigler, you would agree with  
18       that. If that attack is made, then I will permit a  
19       response.

20                  MR. B. MURPHY: Fair enough. Thank you.

21                  THE COURT: Okay. Satisfied?

22                  MR. RIGLER: Yes.

23                  THE COURT: Next page, I see big bold type,  
24       Objection. Let's see what this is about. This is a  
25       statement of qualifications of experts.

1                   Now, these statements are not going to be placed  
2 in the hands of the jury or read to the jury, the expert's  
3 qualifications.

4                   Does that --

5                   MR. B. MURPHY: Your Honor, may I ask a  
6 clarification?

7                   THE COURT: Yes.

8                   MR. B. MURPHY: We understood that the  
9 procedure, I think counsel and I both understood that when  
10 we call an expert these statements would be read to the  
11 jury. If that is not the case, that is fine. That is not  
12 what we understood.

13                  THE COURT: No. You will qualify your witnesses  
14 through your own, I will call it voir dire, your opening  
15 questions.

16                  MR. RIGLER: Mr. Murphy is correct. I think we  
17 both had a misunderstanding. We thought it was a  
18 substitution to speed things along. We thought that the  
19 statement was somewhat loaded. But if we are going to have  
20 sort of mini-voir dires as we start, that is fine.

21                  THE COURT: You have agreement, then.

22                  Deposition designations and objections. I don't  
23 do deposition designations and objections, counsel. I leave  
24 you to work that out on your own. I don't have the time to  
25 engage in that kind of activity.

1 At Page 9, that is where I am, I have already  
2 addressed the issue that is raised at Page 9. That is how  
3 we are going to handle equitable matters.

4 || Anything else on that page?

5 MR. RIGLER: Indefiniteness, will that also be  
6 addressed by the Court?

7 THE COURT: Indefiniteness is a legal issue.

8 MR. RIGLER: It's a question of law. We had  
9 cited Honeywell, 2010 decision. I know -- I am quite aware  
10 that many district courts allow or have allowed that to be  
11 tried to the jury. It seems to me the circuit now is --

18 MR. B. MURPHY: Yes, Your Honor.

19 THE COURT: Settlement negotiations. Are there  
20 discussions ongoing between the parties to try to amicably  
21 resolve this? Or are you at an impasse? Or did you ever  
22 even talk?

23 MR. RIGLER: There is no current discussion,  
24 Your Honor. The subject came up again a month or two ago  
25 after the claim construction. Nothing happened. So there

1 are no ongoing discussions.

2 THE COURT: Okay. Do you concur?

3 MR. B. MURPHY: Yes, Your Honor.

4 THE COURT: I see there were discussions.

5 MR. B. MURPHY: There have been over the course  
6 of time, yes.

7 THE COURT: Is there a difference of view as to  
8 whether discovery is complete?

9 MR. B. MURPHY: I don't think so, Your Honor.

10 THE COURT: I am on Page 11. I am assuming  
11 nobody sees anything else before that.

12 My practice is to have the Court and the parties  
13 select eight jurors. All will deliberate. Everyone will  
14 deliberate. I don't use alternates in civil juries.

15 We have set aside five days, I think that is  
16 correct, to handle this.

17 It will be a timed trial. Absent objection, I  
18 see no reason to not divide the time equally. So it will  
19 be. I see no objection. So it will be divided equally.  
20 Here is your multiplier. It's five and a half hours a day.  
21 We try to get in six. As a practical matter, it ends up  
22 being more like five and a half. So five and a half over  
23 five days, whatever the multiplier is, divided in half. You  
24 keep track of one another's time, I will task you with that.  
25 You will keep their time, they will keep yours. Ms. Walker

1       will back you up, and you can do a time check at the end of  
2       each day.

3                   Please, counsel, keep in mind that I will hold  
4       you to the time limitations. Incredibly enough, I have had  
5       it happen not that long ago in a patent case, as  
6       well-staffed and as good as you folks are, I had a plaintiff  
7       run out of time. And that's it. So don't let that happen  
8       to you.

9                   Anything else? I didn't see anything else in  
10      the actual 12 pages of the pretrial order. Have we  
11      basically covered everything there?

12                  Okay. I have dealt with exhibits. Depositions  
13      and counter-depositions.

14                  Let's go to the preliminary instructions.

15                  That's at Tab 3. There is an objection at Page 3 by SPI  
16      Pharma. Pharma objects to Roquette's inclusion of a  
17      definition for the legal standard for willful infringement.  
18      Do you want to address this, counsel?

19                  MR. CASTELLANO: Yes, Your Honor. It is the  
20      sentence at the very end of the paragraph that begins with  
21      Roquette owns a United States patent, on Page 2.

22                  THE COURT: Yes.

23                  MR. CASTELLANO: Just the last sentence, that  
24      sets forth the willful infringement standard. That is a  
25      departure from the form instructions. It's dealt with later

1 in the instructions.

2 THE COURT: Why do we need to talk about  
3 willfulness at this point?

4 MR. RIGLER: It seems instructive, Your Honor.  
5 I think you will return to it later.

6 THE COURT: I will. I don't think it's  
7 necessary to call out willfulness in the initial  
8 instructions. I agree with you. I will sustain that  
9 objection.

10 We have already talked about equitable defenses.  
11 We know that will be handled by the Court. That is moot at  
12 this point.

13 MR. CASTELLANO: Yes.

14 THE COURT: Anything else in there, counsel?

15 MR. CASTELLANO: There is a similar standard for  
16 invalidity, at Page 3. The paragraph begins, Persons or  
17 companies, second sentence, Invalidity must be prove by...,  
18 again, that is dealt with later.

19 THE COURT: I don't know why we are calling out  
20 these specific --

21 MR. SNAY: I am sorry, Your Honor. We couldn't  
22 really hear Mr. Castellano.

23 THE COURT: It is Page 3, the first full  
24 paragraph. The discussion about invalidity.

25 MS. GRAHAM: I think that is fine, Your Honor.

1 I don't think we need to specially call out one thing or  
2 another. You will return to it.

3 THE COURT: We will return to it. Yes.

4 Anything else in that footnote?

5 MR. CASTELLANO: That's all, Your Honor.

6 THE COURT: I agree with you. I will sustain  
7 that objection.

8 Let's see. So then the next dispute is at Page  
9 11. As I see it, I think we might have dealt with this,  
10 largely, let's see.

11 MR. CASTELLANO: It is also having to do with  
12 the equitable defenses.

13 THE COURT: That is mooted out, yes.

14 MR. CASTELLANO: The other issue is the  
15 presumption of validity. The two instructions, the  
16 presumption of validity and the clear and convincing  
17 evidence standard, it sounds like two sides of the same  
18 point. The clear and convincing evidence instruction is  
19 sufficient. We don't need to mention the presumption of  
20 validity. That is our position.

21 THE COURT: There is a statutory presumption.

22 MR. CASTELLANO: Yes, Your Honor. I understand  
23 that. I know, I think that is actually from the form.

24 THE COURT: I generally am willing to give the  
25 presumption. I understand the debate that's out there in

1 the land over this.

2 MR. CASTELLANO: Okay.

3 THE COURT: I cut you off.

4 MR. CASTELLANO: That is just, you know, when it  
5 is presented to the jury, the clear and convincing evidence  
6 standard takes into account the presumption. That is why it  
7 is higher.

8 THE COURT: I understand that. Let me find the  
9 actual language.

10 MR. CASTELLANO: It's "In this case," the  
11 paragraph on Page 10.

12 THE COURT: Okay.

13 I will leave it the way it is.

14 MR. CASTELLANO: Thank you, Your Honor.

15 THE COURT: There is a difference of view at  
16 Page 13. What I would propose to do to resolve this, unless  
17 there is objection, why don't we -- let's state what the  
18 issue is. This section deals with an overview of what a  
19 patent is and how one is obtained.

20 I would suggest to you, counsel, that the video  
21 does a very nice job of handling this. We could eliminate  
22 this section altogether, unless there is objection to the  
23 video. Are you familiar with the video I am talking about?

24 MR. B. MURPHY: Yes, Your Honor.

25 THE COURT: Is that acceptable?

1 MR. RIGLER: That is acceptable.

2 MR. B. MURPHY: Yes, Your Honor.

3 THE COURT: We will eliminate this narrative  
4 section, that starts at Page 13 and runs through Page 18, I  
5 think, or the top of Page 19.

6 Is there agreement as to the summary -- wait a  
7 minute. Let's see. It appears there is agreement on  
8 summary of the patent issues that the jury will address. So  
9 we can leave that in.

10 MR. CASTELLANO: Your Honor, are you talking  
11 about in that same instruction? Or is this -- on which  
12 page?

13 THE COURT: Do we summarize for the jury  
14 somewhere?

15 MR. CASTELLANO: Yes, this is something that is  
16 specific to the case.

17 THE COURT: That is what I was thinking, yes.

18 MR. CASTELLANO: I think the only difference  
19 between our proposal and Roquette's is the inclusion in ours  
20 of the equitable issues.

21 THE COURT: So we leave those out, yes.

22 MR. RIGLER: Taking out 4 and 5.

23 THE COURT: Yes. Agreed, counsel, 4 and 5 come  
24 out.

25 MR. CASTELLANO: Actually, 5 --

1 MS. GRAHAM: It's just part of 5. The reference  
2 to equitable estoppel does not apply.

3 MR. CASTELLANO: This part also deals with  
4 damages.

5 THE COURT: So that stays.

6 MR. CASTELLANO: We will work that out.

7 THE COURT: Fine. Everything else seems to be  
8 agreed upon.

9 There is some difference of view as to the  
10 glossary, I think. Are these matters you think you can work  
11 out on your own?

12 MR. CASTELLANO: I think so, Your Honor.

13 THE COURT: I will leave it to counsel to work  
14 those out.

15 We are not going to do final instructions today.  
16 Along the way, we will have a chance to do that. What I  
17 will task you with doing -- I know you probably haven't  
18 turned your minds to the final instructions at this stage --  
19 but I am going to now require that you begin to do that.  
20 And I am sure somebody is being tasked with negotiating  
21 these issues between the parties. That process needs to be  
22 engaged in earnest now.

23 To the extent you can agree, I would like you  
24 to. To the extent you can't, we will tee these matters up  
25 and get a chance to discuss them along the way. Then we

1 will have a final conference after the evidence is concluded  
2 to make sure that the instructions conform in a way that is  
3 appropriate to the evidence that has been adduced at trial.

4 Verdict form, do we have -- is it one proposal  
5 or two? I think it's one. Right? Am I wrong? Yes.

6 MR. CASTELLANO: We have separate verdict forms,  
7 G-5 and G-6.

8 THE COURT: Yes. I haven't looked at these at  
9 all. Counsel can discuss them. We will look at this later.

10 Let's go to G-7, your jointly proposed voir  
11 dire.

12 There are only a few, actually, three questions  
13 that I wanted to discuss with you and decide whether I am  
14 going to propound them or not to the jury. That is No. 12:  
15 Do you or does any member of your immediate family have a  
16 law degree or other legal training?

17 I am not going to do that. Unless there is some  
18 real angst that I am causing out there in the world, I just  
19 don't see a need for that.

20 19: Have you ever felt that you were mistreated  
21 or that a member of your immediate family was mistreated,  
22 misled or harmed by a corporation or business?

23 It strikes me as an awfully broad and vague  
24 question. I am going to excise it.

25 21: Have you or has any member of your

1 immediate family ever owned a business or otherwise been  
2 self-employed?

3 What are we trying to do this?

4 Okay. I am taking that out as well.

5 The rest remain.

6 The process for jury selection here is fairly  
7 well known, I think. We use the struck jury method. You  
8 have got the script already. I will e-mail this along to  
9 you, Ms. Walker will, in its final form. And you will have  
10 it coming in, so you will know what is required of you in  
11 terms of addressing yourselves to the jury, introducing  
12 yourselves, whomever else you want to introduce, identifying  
13 by a reading of a list of prospective witnesses. And then I  
14 will do the general instruction and general questions.

15 Then we will adjourn to sidebar, turn on the  
16 white-noise machine, and call each putative juror up  
17 individually. I will start the questioning off of those who  
18 have responded affirmatively to any of the general  
19 questions, then alternate between the parties, pass off and  
20 let you conduct some additional examination on your own.

21 After the questioning of the individual venire  
22 person is done, then they will go back to the well of the  
23 court. I will entertain any motions, any challenges for  
24 cause. It will inevitably be the case from time to time  
25 that the Court will sua sponte dismiss someone. I will give

1 you a chance to object to that. But it will be most often  
2 in obvious situations, child care problems, about to lose a  
3 job if you have to come here and sit on this trial, that  
4 kind of thing.

5 We will get through the panel that way. And  
6 then we will give you your three preempts a side. You will  
7 pass the pad. Ms. Walker will give you the opportunity to  
8 exercise your peremptory challenges.

9 Any questions about that?

10 Let's talk for a moment about how you want to  
11 handle, how I am going to instruct you to handle your  
12 exhibits that you want in the jurors' hands, in the form of  
13 notebooks. I know we are going to have presentation  
14 equipment brought in here. That is fine, and I think  
15 helpful. It helps enliven the process and keeps the jury's  
16 interest, not to mention mine.

17 I think that the flashing of overheads of  
18 exhibits with which you want the jurors to become facile is  
19 unwise without having them in their possession. You are  
20 going to have to meet and confer and agree on what goes into  
21 one another's books, and where there are disputes we will  
22 resolve them together.

23 Each side should prepare eight juror notebooks.

24 Continuing on the subject of notebooks, witness  
25 notebooks, it is typically the case in cases of this type

1 that I see counsel wisely preparing both direct and cross  
2 binders. Just make sure you prepare enough for me and my  
3 clerk, three extras in addition to the witness and the other  
4 side.

5 MR. B. MURPHY: Your Honor, one question on that  
6 particular procedure. What I have done, with agreement of  
7 counsel, particularly for experts, if there is a notebook  
8 with a series of technical information in it, or a thick --  
9 like the prosecution history, for example, I have agreed  
10 with counsel to tag the important pages with a flag so the  
11 expert is not fumbling around looking for stuff. I have  
12 agreed, though not always, to allow just yellow highlighting  
13 on paragraphs that you want to focus people on. I am not  
14 saying we need to do it. I am saying I have done it, only  
15 by agreement. Sometimes it's useful. But certainly for  
16 thick documents, I find it helpful to tag the pages that you  
17 are going to focus on.

18 THE COURT: I have no objection to that.

19 Whatever counsel can work out in that regard is fine with  
20 me.

21 MS. GRAHAM: Your Honor, we are willing to talk  
22 with them about any things that would expedite the trial.

23 THE COURT: I am comfortable with that. You  
24 have already used the operative word, agreed. Where counsel  
25 agree, I am fine.

1                   I really don't want to unduly manage this. You  
2 know your cases and you know what you need to do to  
3 prosecute your claims and defend them. So I would rather  
4 not inappropriately interfere.

5                   MR. RIGLER: We will work with counsel and we  
6 will work, obviously, with the Court to make things as easy  
7 as possible for the jury. I don't want to commit right now  
8 to any particular procedure.

9                   THE COURT: Just so you know, my focus is  
10 entirely on my jury. And I do use the word "my jury"  
11 intentionally. Keep that in mind. It's my jury.

12                   They will very much feel that way, I guarantee  
13 you. Act appropriately.

14                   In that regard, in terms of addressing the jury,  
15 in your closing speeches, that podium will be back in the  
16 middle along with a bunch of other stuff, I am sure. The  
17 podium moves around, you can move it to face the witness or  
18 the jury box. You are not pinned to the podium. But the  
19 podium must serve as your base of operations when you are  
20 questioning. You don't question from a seated position in  
21 my courtroom.

22                   Keep a respectful distance from the jury box.  
23 That middle pedestal at plaintiff's counsel's table is a  
24 good distance to keep, I think, from the jury. That is in  
25 your interest, not to encroach unnecessarily on the jury's

1 space, as people like to say these days, and you will be  
2 fine with me.

3 To the extent that any one of you, or hopefully  
4 it won't be the case with any counsel, but it does occur  
5 sometimes with witnesses, sometimes with counsel, we need to  
6 mike you up, we will. We have a couple of portable  
7 microphones. And this is all to aid in the jury's  
8 comprehension, they need to hear to be able to comprehend.  
9 So we will do that.

10 Also, in the interests of jury comprehension, I  
11 encourage, I permit and encourage transition statements. It  
12 could be from witness to witness, from subject matter to  
13 subject matter. But they have to be vetted between the  
14 parties before you make them. I am not encouraging  
15 arguments or speeches. This is by way of information that  
16 you feel will help the jury comprehend the subject matter of  
17 this trial. Any questions about that?

18 Mr. Rigler? Okay. It looks like you might have  
19 a question or concern.

20 MR. RIGLER: No, sir. I was just following Your  
21 Honor.

22 THE COURT: You don't have to use them. It's up  
23 to you. I think they can be useful.

24 I run a rather formal courtroom. It is a  
25 federal court, after all. And it should be a formal place.

1                   When you address the Court, obviously, you rise.  
2                   When you want to move about the courtroom, you ask for  
3                   permission. When you have an objection, rise, state the  
4                   objection. Don't make an argument. Objection, hearsay.  
5                   Don't get off into rule numbers and that kind of thing. I  
6                   never remember them, as long as I have been doing this. I  
7                   think a better record is made when you state in succinct  
8                   terms the substance of the objection, the basis of the  
9                   objection, a word or two.

10                  If you are dissatisfied with my ruling on it,  
11                  and it may well come to pass that you are dissatisfied, and  
12                  you really think you need to try to change my mind, or you  
13                  want to make an additional point for purposes of appeal, ask  
14                  for a sidebar. I don't prohibit sidebars. I don't  
15                  encourage them. I am not a fan of them. Juries hate them.  
16                  But it's fine. You got to get me to sidebar. Sometimes I  
17                  get irascible. But you got to get me to sidebar. That's  
18                  your job. We will go to sidebar. I always encourage  
19                  lawyers, you know, in trials there is sometimes things that  
20                  you can anticipate. If you have got authority for a  
21                  position that you could anticipate is going to be  
22                  contentious, bring it with you to sidebar. Judges like to  
23                  have authority to follow. Certainly, in terms of process,  
24                  you need Third Circuit authority. In terms of substantive  
25                  patent issues, you need Federal Circuit authority. It never

1                   hurts to cite Judge Sleet from time to time.

2                   That aside, just some thoughts.

3                   You will have access to the list of potential  
4                   jurors the Thursday before the Monday of trial. You can  
5                   come over and get it on the third floor from Mr. Trickey's  
6                   shop. That is not going to be the final list, though. So  
7                   you will check in first thing in the morning. And my chief  
8                   deputy or someone will provide you with the most recent  
9                   list, as well as those who are not here.

10                  The list provides relatively minimal  
11                  information. It provides a name, obviously, of the location  
12                  in the state. It doesn't have an address. Probably has the  
13                  town, city or development, whatever. Occupation, marital  
14                  status, and age. You will have a sense of which one of the  
15                  three counties in Delaware the jurors are hailing from,  
16                  whether they are upstate, downstate. Your Delaware counsel  
17                  will be able to give you some expert advice in that regard.

18                  We do have the ability to accommodate a juror  
19                  that is coming from downstate a long distance overnight, in  
20                  overnight circumstances, but that will be discussed during  
21                  the individual portion of the voir dire. It's a feature  
22                  that we are able to offer because we only sit here in  
23                  Wilmington.

24                  Okay. Let me open the floor. Beginning with  
25                  you, Mr. Rigler, anything on your mind that you want to

1 discuss with me? Any questions you have?

2 MR. RIGLER: One question. There may not be a  
3 fixed answer. But if we have a witness, do you prefer to  
4 call that witness back for --

5 THE COURT: One of their witnesses you want to  
6 call in your case?

7 MR. RIGLER: Yes.

8 THE COURT: Work that out. I prefer we use the  
9 time more efficiently than calling the witness back. I can  
10 understand differences of view on that. I don't seek to  
11 impose my will in that regard.

12 MR. RIGLER: We will have some witnesses who  
13 will be coming from France and staying through the week.

14 THE COURT: To accommodate those who have to  
15 travel, that kind of distance, yes. Counsel can work out  
16 conditions in terms of calling somebody out of turn. I am  
17 not going to comment further on that. I am comfortable with  
18 what you work out.

19 MR. B. MURPHY: One question on that. Will the  
20 French-speaking witnesses require translation?

21 MR. RIGLER: No. That's not to say that English  
22 is their native language, and they are not going to be  
23 perfect. But I think the trial will move more efficiently  
24 and the communication with the jury will be okay with their  
25 level of English.

1 THE COURT: So their answer is no.

2 Anything else from the plaintiff's point of  
3 view?

4 MS. GRAHAM: I don't think so.

5 THE COURT: Defendants, anything on your mind?

8                   One, with respect to the jury, does Your Honor  
9 have a practice or preference as to whether they can take  
10 notes?

11 THE COURT: Yes. They take notes. They take  
12 notes. I have a note-taking instruction. It should be in  
13 the preliminary instruction.

14 I have a more recent instruction having to do  
15 with social networking as well that I will probably include,  
16 that language. I don't think that is reflected in this form  
17 and I don't know that I have put it up on the website yet.  
18 It would account for you not including it. I will talk  
19 about Facebook and Tweeter and that kind of thing, just to  
20 discourage any communication in that way.

21 MR. B. MURPHY: There was one other issue that I  
22 have already broached with counsel. We will try to work it  
23 out. I wanted to try to raise it with Your Honor. That one  
24 of our accused products, the details of the process for  
25 making it and the exact final composition our client

1 believes are trade secrets. They are reflected in I think  
2 there is two or three exhibits, I have to identify the  
3 specific pages for counsel. We will discuss it. It might  
4 be necessary to take limited testimony in camera, which I  
5 know can be disruptive.

6 THE COURT: It can be. But to the extent that  
7 we need to accommodate industrial secrets or trade secrets,  
8 we can discuss that. I am willing to make the necessary  
9 arrangements to protect commercial secrets.

10 MR. RIGLER: We will try to work with counsel on  
11 that. We are sensitive to the point. However, we have  
12 disagreed during the discovery process as to whether this  
13 information is confidential. We contend most of it is in an  
14 existing patent owned by SPI and hardly qualifies as  
15 confidential. But we will try to work and see if we can  
16 narrow that difference.

17 THE COURT: Don't hesitate to tell us if you  
18 don't need to meet on any given morning. I don't mind. I  
19 will be there.

20 MS. GRAHAM: Your Honor, in that regard, is  
21 there -- can we call over? Is there some time when one of  
22 your staff is in chambers at 8:00 in the morning or whatever  
23 that we could call so we are not necessarily coming over  
24 here ourselves?

25 THE COURT: Or you can just leave a message if

1 nobody is here. Why don't you call Ms. Walker's direct  
2 line. (Court announces phone number.) She has voice mail.

3 Sequestration. I am assuming you are going to  
4 want fact witnesses sequestered. Agreed?

5 MR. B. MURPHY: We hadn't discussed it.

6 THE COURT: I am going to order fact  
7 sequestration witnesses. Obviously, experts can stay in the  
8 courtroom. Unless -- let me put it this way: If you agree,  
9 if you agree that a fact witness can be in here, if that is  
10 your agreement, that is fine. But don't complain about it  
11 later on. I will leave that to your discretion.

12 The general request of counsel is to sequester  
13 fact witnesses.

14 Does SPI have anything else?

15 MR. B. MURPHY: No, Your Honor.

16 THE COURT: All right. Thanks for your time.  
17 We will see you along the way. Take care.

18 (Conference concluded at 12:40 p.m.)

19  
20 - - -

21 Reporter: Kevin Maurer  
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